

Representative

Beverly Woods

23rd District

A Report From The 2002 Legislative Session

Dear friends,

When finances get tight, the responsible family looks at its income and decides on its priorities. Then it covers only what's affordable, making sure to keep something set aside for a rainy day. I believe state government should take that same approach always – but especially now that Washington's economy has gone into recession, and the budget that supports state services is even worse off than it was before Sept. 11.

The 2002 legislative session is going to be about leadership, and finding responsible answers to the state's needs. That means preserving essential public services, while fixing the billion-dollar hole in the budget that pays not only for those essential services but virtually every state government operation. It means protecting your hard-earned tax dollars from being spent on things government simply doesn't need right now. It means looking out for the people who provide jobs, and pay the majority of taxes collected in our state.

Please contact my office whenever you want to share your thoughts on the decisions before us, or if you need help dealing with a state agency. If you happen to visit Olympia over the next few months, please

Sincerely,

Zuly Woods Beverly Woods

make a point to stop by.

Join me for a Town Hall Meeting Feb. 23!

- Central Kitsap Fire and **Rescue Station 51** 10955 Silverdale Way NW Silverdale 9 - 10:30 a.m.
- Poulsbo Library Community Room 19131 - 8th Avenue **Poulsbo** Noon - 1:30 p.m.
- Bainbridge Island Fire Department 8895 Madison Avenue NE Bainbridge Island 3 - 4:30 p.m.

Committees:

Transportation Capital Budget Rules Legislative Transportation Committee Also:

Tariff Policy Board Puget Sound Regional Transportation Council Republican Whip

Olympia office:

423 John L. O'Brien Building Olympia, WA 98504-0600

Telephone:

360-786-7842, or 1-800-562-6000 (toll-free hotline)

E-mail:

woods_be@leg.wa.gov

Legislative information on the Internet:

http://www.leg.wa.gov

State government on the Internet:

http://access.wa.gov



Representative Beverly Woods

Rewrite budget to get state's priorities straight

The operating budget, which spends the revenues in the state's general fund, was adopted just last summer. But it's already short more than \$1 billion, according to our latest economic forecast. The gap may get even wider when the next economic forecast is issued in February.

The legislators who pushed the state's 2001-03 operating budget through wouldn't make the hard decisions. By failing to keep spending within our means, they made our current financial situation more painful.

The Legislature must get state spending under control, or a shortfall of a billion-plus dollars now could turn into a \$3 billion deficit in a couple of years.

We also must recognize that over the last 10 years, businesses and consumers in the greater Puget Sound area have generated 70 percent of the state's operating-budget revenues. In other words, the Puget Sound region supplies the majority of funding for services available in all regions of the state. Growing the number of jobs in our region is the best way to generate more revenue, and prevent cuts in service. Increasing the tax burden on the people who provide jobs will ultimately hurt the state budget, not help it.

It was clear to me during the 2001 legislative session that the economy was running out of steam. I voted against the budget in June because it obviously would put taxpayers at risk. Now it's like a bad check that has bounced. I want to work with the governor and Democrat legislators to come up with a better solution.

What we should do now is agree on what the state's priorities should be, and allocate the general-fund revenues we know we have in a way that prevents tax increases, which would only extend the recession, and protects those who truly are in need of government services. That'll be my priority this session.

Don't be hard on health care

Until the House and Senate announce their plans for dealing with the shortfall, the only budget rewrite on the table is from the governor. I can't agree with his choices, especially one that puts long-term health care at more risk.

The governor is proposing another \$69 million in funding cuts for nursing-home and assisted-living care for Medicaid patients and residents. This should disturb every person with a loved one who is being cared for in a nursing home or other long-term care facility.

At the same time, the governor is counting on hundreds of millions of dollars to come our way from the federal government: money that is earmarked for health care, but would be used to plug the budget hole.

For the past few years, Washington has received about \$100 million annually through the Nursing Home Pro Share program. These are Medicaid funds that are supposed to go toward Medicaid programs like long-term care and services, including nursing homes. However, as the federal government knows, our state hasn't used this money

properly up to now.
That's why we shouldn't count on any more of it coming to Washington, and the governor shouldn't look to it for a budget bailout.



What you should know about this letter...

Because positions in the House will be on the election ballot this year, we are not allowed to use public resources for more than two "mailings" to our constituents between now and November. This letter is the first of my mailings for the year. The second will go out after the 2002 session. I want you to know, however, state law does allow legislators to "mail an individual letter to an individual constituent who has contacted the legislator regarding the subject matter of the letter during the legislator's current term of office." In other words, I can reply to specific questions you have, without it causing any legal conflict. Please take a few minutes to read this letter, and if you have questions as the 2002 session moves forward, let me know so I can send you a personal reply.

Report to the 23rd District

Transportation math, broken promise add up to hardship for Kitsap area

Gov. Locke wants to increase the gas tax by 9 cents a gallon and raise other autorelated taxes to generate \$13.6 billion for new transportation projects. Two days after his announcement, the Transportation Commission called for a 12.5 percent increase in ferry fares. This would mean an unhappy choice for families and businesses in the Kitsap area: either pay more at the gate for a ride across the water, or pay more at the pump to drive around the water. The trouble is, it could get worse.

Some want to include Kitsap County with King, Snohomish and Pierce counties in what amounts to a Puget Sound regional transportation district. Voters in this district would have the ability to raise their transportation taxes even higher. In fact, \$5.1 billion of the governor's \$13.6 billion package to fund new construction would be generated in the Puget Sound area, for projects only in that area.

We must carefully weigh the pros and cons of joining a taxing district with our three larger, neighboring counties across the Sound. I just don't see how our ferry issues could compete with their road and transit issues when it comes time to dole out the tax revenue.

The transportation budget adopted last year left out \$30 million needed for state ferry operations but included a written commitment "to fully evaluate the extent of the shortfall and fund it in the 2002 budget." The governor and legislative leaders agreed to that commitment in my presence, but those words were stricken from the governor's proposed 2002 supplemental budget. Without the money, ferry routes will have to be eliminated, probably before the summer travel season. That would be a huge blow to our economy.

No limit in sight for ferry fare increases

No matter what happens with a gas tax, ferry fares are likely to get a whole lot higher. Earlier this year the Legislature passed a measure allowing the Transportation Commission to raise ferry fares above the limit set by Initiative 601.



The way I read that new law, ferry fares can increase by any percentage the commission wants, at any time.

Don't get me wrong: I believe Washington needs to invest more in its transportation infrastructure – including our "marine highways." I believe we ferry commuters should pay a fare representing something closer to the actual cost of operating the boats. But we should expect something in return – efficient, timely service that gives us the most value for our money.

For instance, if fares are going to be linked with operating costs, we should insist on knowing exactly how much it costs to operate the ferry system. Some of the "operating" costs I've seen listed don't truly qualify.

In 2001 I took several steps to improve the state ferry system's financial picture. One has us looking at selling advertising space on the boats, to generate revenue. Another resulted in a task force to study whether Eagle Harbor on Bainbridge Island is the best long-term location for the state ferries' maintenance facility. Only by changing the business-as-usual mindset will we be able to give ferry commuters a fair shake.

Rep. Woods will work to protect state ferry riders from cuts in service and unnecessary fare increases.



Representative Beverly Woods

Job growth must be our response to recession

The Boeing headquarters move last year briefly focused attention on Washington's business climate. Knowing that jobs, not taxes, are the path back to prosperity, it's time to turn the debate that direction again.

According to the Washington State Register, state agencies repealed 5,455 rules between the second quarter of 1999 and the third quarter of 2001, in response to an order from the governor to review regulations. Amazingly, during this same time, 24,003 new permanent rules were adopted!

In other words, for every rule repealed, more than four new rules have been adopted. The cost of complying with all this over-regulation only increases the cost of doing business in our state. No wonder so many businesses are either closing their doors or relocating outside of Washington.

Agencies should be forced to put proposed new rules — including the new shorelines regulations — to a simple test: if it preserves jobs and employment, or helps to create jobs, fine. If it doesn't, toss it out!



- Regulations vs. Jobs
- Where do fare increases end?
- Keep promises on transportation
- Getting the state's priorities straight

INSIDE

PO Box 40600 423 John L. O'Brien Building Olympia, WA 98504-0600

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